

COMMITTEE ON WAYS AND MEANS

May 23, 2017

A meeting of the Committee on Ways and Means was held this date at 4:33 p.m.

PRESENT (11)

The Honorable John J. Tecklenburg, Mayor

Councilmember White - <i>absent</i>	District 1	Councilmember Waring	District 7
Councilmember Williams	District 2	Councilmember Seekings	District 8
Councilmember Lewis	District 3	Councilmember Shahid	District 9
Councilmember Mitchell	District 4	Councilmember Riegel - <i>absent</i>	District 10
Councilmember Wagner	District 5	Councilmember Moody	District 11
Councilmember Gregorie – <i>arrived at 4:43 p.m.</i>	District 6	Councilmember Wilson	District 12

1. INVOCATION:

The meeting was opened with an invocation provided by Councilmember Williams.

2. APPROVAL OF MINUTES:

On a motion of Councilmember Mitchell, seconded by Mayor Tecklenburg, City Council voted unanimously to approve the minutes of the May 9, 2017 meeting.

3. BIDS AND PURCHASES:

On a motion of Councilmember Mitchell, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve the bids and purchases as follows:

FIRE DEPARTMENT: **ACCOUNT:051393-58015/210000-52206** **APPROPRIATION:**
\$44,593.70; \$38,815.65

Approval to purchase the Purvis Fire Station Alerting System for the Carolina Bay and Cainhoy (temporary) Fire Station from Purvis Systems, Inc. 88 Silva Lane, Middletown, RI 02842. Sole Source

INFORMATION TECHNOLOGY: ACCOUNT: 235000-52206 APPROPRIATION: \$62,671.25

Approval of Maintenance Agreement with Hitachi Data Systems, the sole source vendor, to provide maintenance and support services for the Police Department's safety and security video camera system. This provides annual maintenance and support services, including hardware and software replacement and updates, for the Police Department's Safety and Security Video Camera System.

TRAFFIC AND TRANSPORTATION: ACCOUNT: 230000-52972 APPROPRIATION: \$61,540

Approval to establish contract for Traffic Calming Devices (Speed Humps) with Asphalt Concepts, LLC, PO Box 2503, Mt. Pleasant, SC 29465. Solicitation #17-B011S

FLEET MANAGEMENT: ACCOUNT: 062017-58010 APPROPRIATION: \$250,911

Approval to purchase three (3) 7400 SBA 4x2 Trucks with 27yd Scow Body from Carolina International Trucks, 1619 Bluff Rd., Columbia, SC 29201; SC Contract #4400014151. This will use 2017 Lease Purchase Funds.

INFORMATION TECHNOLOGY: ACCOUNT: 161000-52206 APPROPRIATION: \$467,359.62

Approval to renew Microsoft Enterprise Agreement for City computers and servers through Softwareone. State Contract #4400011061. This agreement/licensing is required to license all Microsoft computer and server operating systems and applications software (Windows Desktop Operating Systems, Office Applications, Network Active Directory, Database software, Exchange/Email, and Windows Server OS) for current licensing and future upgrade requirements for 1,450 Users and 65 servers. This is payment 2 of 3, with 2018 payment reducing to approximately \$444,000 in 2018 before dropping to approximately \$200,000 in 2019 and subsequent years minus any necessary increases in licensing counts.

CAPITAL PROJECTS: ACCOUNT: 051430-58015 APPROPRIATION: \$51,030.36

Approval to purchase Audio Visual Equipment for the Team 4 Office from Smarter Systems, 5727 Westpark Drive, Ste. 200, Charlotte, NC 28217; SC Contract #4400013228

4. BUDGET FINANCE AND REVENUE COLLECTIONS: APPROVAL TO TRANSFER FUNDS IN THE AMOUNT OF \$199,061 FROM THE EMERGENCY FUND LINE-ITEM TO COVER EXPENDITURES FOR HURRICANE MATTHEW:

Amy Wharton, CFO, explained that these were the City's expenses during the hurricane. The City would be submitting everything to FEMA and hoped they would receive reimbursement for the majority of these expenses.

Chairman Moody asked how much the City budgeted each year into the emergency fund. Amy Wharton said that 2016 was the first year they budgeted a larger amount for this, and they did this again for 2017. Chairman Moody asked if the money would be taken out of this fund

with the hope that it would be reimbursed. Ms. Wharton confirmed and said they had just begun submitting everything to FEMA.

On a motion of Councilmember Mitchell, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve to transfer funds in the amount of \$199,061 from the Emergency Fund line-item to cover expenditures for Hurricane Matthew.

5. BUDGET FINANCE AND REVENUE COLLECTIONS: REQUEST APPROVAL OF THE YEAR 2016 AMENDMENT TO GENERAL FUND & ENTERPRISE FUNDS EXPENDITURE BUDGET [ORDINANCE]

Chairman Moody asked Ms. Wharton for any comments on this item, and she stated that this was for any items that had not been budgeted originally. Chairman Moody said this was something they did every year, and they basically were moving under-expenditure budgets to budgets that were over. Ms. Wharton said that the City would be using revenues that they were over in to cover these expenses. Chairman Moody said the City was not really spending or getting any more money, and Ms. Wharton confirmed. Ms. Wharton stated that the largest item was the fire truck, and the City had \$800,000 that was reimbursed from FEMA and insurance proceeds for this item.

On a motion of Councilmember Mitchell, seconded by Councilmember Shahid, the Committee on Ways and Means voted unanimously to approve the year 2016 Amendment to General Fund & Enterprise Funds Expenditure Budget and recommending giving first reading to the following bill:

An ordinance to make additional appropriations to meet the liabilities of the City of Charleston for the fiscal year ending December 31, 2016.

6. BUDGET FINANCE AND REVENUE COLLECTIONS: REQUEST APPROVAL OF THE YEAR 2016 AMENDMENT TO GENERAL FUND & ENTERPRISE FUNDS REVENUE BUDGET [ORDINANCE]

Chairman Moody asked if this was the same thing, and Ms. Wharton stated this was just the revenues covering the expenses.

On a motion of Councilmember Mitchell, seconded by Councilmember Seekings, the Committee on Ways and Means voted unanimously to approve the year 2016 Amendment to General Fund & Enterprise Funds Revenue Budget and recommended giving first reading to the following bill:

An ordinance to recognize the usage of additional funds to meet additional appropriations authorized by ordinance 2017-_____ for the fiscal year ending December 31, 2016

7. OFFICE OF CULTURAL AFFAIRS: APPROVAL TO APPLY FOR A COASTAL COMMUNITY FOUNDATION OPEN GRANT IN THE AMOUNT OF \$10,000 FOR THE FREE

VERSE FESTIVAL, CHARLESTON'S FIRST POETRY FESTIVAL. FUNDS WILL BE USED FOR ARTISTIC FEES AND PRODUCTION COSTS. NO CITY MATCH IS REQUIRED.

On a motion of Councilmember Mitchell, seconded by Mayor Tecklenburg, the Committee on Ways and Means voted unanimously to approve to apply for a Coastal Community Foundation Open Grant in the amount of \$10,000 for the Free Verse Festival, Charleston's first poetry festival.

8. OFFICE OF CULTURAL AFFAIRS: APPROVAL TO ACCEPT A GRANT AWARD FROM THE GAYLORD AND DOROTHY DONNELLEY FOUNDATION IN THE AMOUNT OF \$5,000 TO SUPPORT THE 2017 PICCOLO SPOLETO FESTIVAL. FUNDS WILL BE USED TO SUPPORT PERFORMANCES DURING THE FESTIVAL. NO CITY MATCH IS REQUIRED.

On a motion of Councilmember Lewis, seconded by Mayor Tecklenburg, the Committee on Ways and Means voted unanimously to approve to accept a grant award from the Gaylord and Dorothy Donnelley Foundation in the amount of \$5,000 to support the 2017 Piccolo Spoleto Festival.

9. RECREATION: APPROVE THE CONTRACT BETWEEN THE CITY OF CHARLESTON AND THE CHARLESTON COUNTY SCHOOL DISTRICT TO PURCHASE MEALS TO BE SERVED DURING THE SUMMER FOR CHILDREN WHO PARTICIPATE IN THE SCHOOL FREE/REDUCED LUNCH PROGRAM. FUNDING IS PROVIDED THROUGH THE SC DEPARTMENT OF EDUCATION TO THE CITY OF CHARLESTON AS THE LOCAL SPONSORING AGENCY.

On a motion of Councilmember Lewis, seconded by Councilmember Mitchell, the Committee on Ways and Means voted unanimously to approve the Contract between the City of Charleston and the Charleston County School District to purchase meals to be served during the summer for children who participate in the school free/reduced lunch program.

10. RECREATION: APPROVE THE CONTRACT BETWEEN THE CITY OF CHARLESTON AND THE LOWCOUNTRY FOOD BANK TO PURCHASE MEALS TO BE SERVED DURING THE SUMMER FOR CHILDREN WHO PARTICIPATE IN THE SCHOOL FREE/REDUCED LUNCH PROGRAM. FUNDING IS PROVIDED THROUGH THE SC DEPARTMENT OF EDUCATION TO THE CITY OF CHARLESTON AS THE LOCAL SPONSORING AGENCY.

On a motion of Councilmember Mitchell, seconded by Councilmember Lewis, the Committee on Ways and Means voted unanimously to approve the Contract between the City of Charleston and the Lowcountry Food Bank to purchase meals to be served during the summer for children who participate in the school free/reduced lunch program.

11. THE COMMITTEE ON COMMUNITY DEVELOPMENT: (MEETING WAS HELD MAY 16, 2017 AT 4:00 P.M. AT CITY HALL, COUNCIL CHAMBER, 80 BROAD STREET)

a. Approval of a Memorandum of Understanding from Sky Garden Developers

Councilmember Mitchell, Chair of the Committee on Community Development, stated they passed a Memorandum of Understanding related to Woolfe Street, and it would be under the old contract.

Councilmember Williams asked for more information regarding this matter. Councilmember Seekings stated that the Woolfe Street property, which was a Mixed Use development and originally zoned, has been caught in between the old Mixed Use and new Mixed Use-2 zonings. The developer wanted to proceed with their project and take advantage of the fee-in-lieu. The developer has agreed to a fee-in-lieu price, which is equivalent to the amounts the City has approved, and has gone to the Planning Commission. He said they would pay into escrow this amount based on the calculation of the gross square footage of the project on Wolfe Street, and then these numbers will be reconciled once the City passes its MU zoning ordinance. This would be money going towards workforce housing. He said it might be the first of many dollars going towards workforce housing. He congratulated Councilmember Mitchell and the committee. There was more work to come, but this was a start.

Mayor Tecklenburg said that when the ordinance comes back before Council at the June meeting regarding the fee-in-lieu for the MU zoning, this item would be a test case and a fair number because they had a developer willing to escrow enough funds in the amount the amount that would be brought back before Council, so this was an endorsement.

Chairman Moody added that it set the quantitative amount on what they were trying to do, and Mayor Tecklenburg confirmed.

On a motion of Councilmember Seekings, seconded by Councilmember Mitchell, the Committee on Ways and Means voted to adopt the Committee on Community Development Report.

12. THE COMMITTEE ON TRAFFIC AND TRANSPORTATION: (MEETING WAS HELD MAY 23, 2017 AT 3:30 P.M. AT CITY HALL, FIRST FLOOR CONFERENCE ROOM)

a. Approval of 2017-2018 Vendor Spaces

b. Approval of 2017-2018 Bid Specifications for Street Vendor Spaces

c. Approval of 2017-2018 Franchise Agreement for Vendor Spaces

Councilmember Seekings, Chair of the Traffic and Transportation Committee, stated the Committee had met earlier in the afternoon, and they considered the vendor allocations for 2017-2018 which included the identification of the spaces, the bid specifications, and the franchise agreement for the vendor spaces. He said this was similar to the last few years, but with one significant change. One vendor space had been removed because it was in the middle of a construction zone at the corner of King Street and Horlbeck Alley. They passed the

Traffic and Transportation Committee unanimously, and he asked for approval.

Chairman Moody asked if the taxi application needed to come before the Committee on Ways and Means. Councilmember Seekings stated this would be a part of the Traffic and Transportation Report at Council. He said because this was a budget and finance matter, it had to be brought through Ways and Means.

On a motion of Councilmember Seekings, seconded by Councilmember Mitchell, the Committee on Ways and Means voted to adopt the Committee on Traffic and Transportation Report.

Councilmember Gregorie arrived at 4:43 p.m.

13. THE COMMITTEE ON REAL ESTATE: (MEETING WAS HELD MAY 22, 2017 AT 4:00 P.M. AT CITY HALL, FIRST FLOOR CONFERENCE ROOM, 80 BROAD STREET)

- a. Approval of a facility rental with Bethel United Methodist Church for Piccolo Spoleto Festival of Churches and Synagogues on June 2, 3, 4, and 10, 2017 (57 Pitt Street)
- b. Authorize the Mayor to purchase the above referenced property from Walter Jaudon for the sum of \$50,000. The property is strategically located at the entrance of the Maryville-Ashleyville neighborhoods and provides the City an opportunity to bring much needed affordable homeownership to West Ashley. An adjacent parcel [TMS: 418-11-00-205] was purchased in 2015. This acquisition will allow for the complete development of the gateway to the neighborhood. The funds for this acquisition will be derived from HOME Investment Partnerships program income. [TMS: 418-11-00-206; 0 Hillsboro Street]
- c. Request approval for the Mayor to execute the attached Agreement to Buy and Sell Real Estate whereby the City intends to purchase 2.52 acres at the intersection of Highway 7 and Highway 171 from Faison-Sumar Street, LLC for \$3,029,500 (TMS: 352-08-00-006; Intersection of Highway 7 and 171). The property is owned by Faison-Sumar Street, LLC.
- d. Request approval for the Mayor to execute the Memorandum of Understanding whereby East Line Partners LLC 1) intends to purchase a 0.57 acre parcel (bound by Meeting Street on the east, Sheppard Street on the south and I-26 ramps on the north and west) from SC DOT, and 2) transfer approximately 0.28 acres of the parcel to the City of Charleston as a linear park connection following completion of their development. (TMS: 459-05-03-138; Sheppard Street). The property is owned by East Line Partners, LLC.
- e. Request approval for the Mayor to execute the Third Amendment to the Lease for 3 Lockwood whereby the rent due from Charleston Marine Holdings (Tenant) for the

- first extension period is set in accordance with the Lease and 2nd Amendment, and the City grants one additional five year extension. (TMS: 460-14-00-016; 3 Lockwood). The property is owned by the City of Charleston.
- f. Request approval for Mayor to consent to terminate the Cannon Street YMCA's grant of 15 foot ingress-egress easement on YMCA's Cannon Street property to Smith Morris, LLC (now Gathering at Morris Square) (TMS: 460-12-01-008; 61 Cannon Street). The property is owned by Cannon Street YMCA.
 - g. Consider the following annexations:
 - (i) Properties on Maybank Highway and Zelasko Drive (TMS# 313-00-00-071; and 313-00-00-072, 073, 231, 252, 332) 20.858 acres, Johns Island (District 5). The property is owned by the Estate of Thomas S. Morris.
 - (ii) 3037 Maybank Highway (TMS# 313-00-00-075) 5.578 acres, Johns Island (District 5). The property is owned by Julian and Constance Kornahrens.
 - (iii) A portion of 2115 River Road (TMS# 345-00-00-067) 6.13 acres, Johns Island (District 5). The property is owned by Susan P. Polk and Laurie Edward Polk.
 - (iv) Property known as Bees Ferry Road and Hughes Road (TMS# 287-00-00-054 and 287-00-00-347) 12.439 acres, West Ashley (District 5). The property is owned by heirs of Phillis Washington.
 - h. An ordinance authorizing the Mayor to execute on behalf of the City the necessary documents to effectuate the land transfers contemplated by the Fourth Amendment to the Daniel Island Development Agreement, to include but not be limited to: a trail easement to Daniel Island Town Association, Inc.; a deed to Daniel Island Town Association, Inc. pertaining to City owned property bearing TMS No. 275-00-00-148 (Lot 1, Parcel R, Block O), along with an assignment of U.S. Army Corps of Engineers permit no. 200O-IP-319; a deed to Daniel Island Town Association, Inc. pertaining to property to be received by the City that will comprise a waterfront park; and a ground lease to Daniel Island Town Association, Inc. pertaining to City owned property comprised of 32.340 acres (Parcel AA, Phase 5) and 19.812 acres (Parcel AA, Phase 2) and a mortgage satisfaction.
 - i. Approval to grant a License to Daniel Island Town Association, Inc. to access City-owned property on Daniel Island comprised of 32. 340 acres (Parcel AA, Phase 5) and 19.812 acres (Parcel AA, Phase 2) prior to the execution of a Ground Lease to enable the property to be grassed and otherwise timely prepared for recreational use, provided the form of the License is approved by Corporation Counsel.

Councilmember Waring, Vice Chairman of the Committee on Real Estate, reported that all

items on the agenda were passed unanimously. He thanked Council for allowing the Mayor to proceed with having the option of eminent domain. He said common ground was reached, and the Mayor had done some heavy lifting in negotiating. Councilmember Shahid said that for those that had participated in the West Ashley workshop, they appreciated the significance of this area being addressed and modified, and the efforts of the Mayor and Real Estate Committee.

Councilmember Wilson asked where the \$3,000,000 would be coming from to purchase the property. Ms. Wharton said they would be using funds from land sales.

Councilmember Seekings asked if there would be a design phase and if the City would then be in a position to discuss with the Department of Traffic and Transportation ("DOT") reimbursement of some of the funds that they are paying out for the property as they move forward with redesigning the intersection. Mayor Tecklenburg confirmed and added that eventually, it would take a while for the TIF District to generate income, but what would not be reimbursed by the DOT for the right-of-way would be reimbursable by the TIF District. He said, admittedly, this might be some years in the future, but eventually the City would be able to reimburse itself for it.

Councilmember Lewis asked which land sale fund the money would come from. He said he remembered that for years, the City was setting aside money from land sale funds for affordable housing, and he said that every time it seemed like the City wanted to buy a piece of property, money was used from the land sale fund. He asked if the money would be taken away from affordable housing. Mayor Tecklenburg said it would not. Councilmember Lewis asked which part of the land sale fund the money would be coming from and what did the City sale to get this money. Ms. Wharton said the City had funds that were held for the WestEdge project that the City would be bonding for the parking garage, so they would be using that, and then they would sell other property to pay that money back to the land sales fund. Chairman Moody asked if instead of cash, the City would in effect have a receivable, and Ms. Wharton confirmed.

Councilmember Lewis asked in reference to Item 'd' if the City was buying a piece of property along the railroad tracks for a linear park. Mayor Tecklenburg confirmed. Councilmember Lewis asked where the money would be coming from, and the Mayor said it was a trade with the developer. Mayor Tecklenburg said the developer was buying the property from the DOT, and it was under contract. The Memorandum of Understanding contemplated that the City would abandon the short portion of Shephard Street. When an abandonment occurred, the property was basically given up to the adjoining property owner, which would be the developer, but the developer agreed to give the City the other side of the property once this occurred. He said this was a non-cash item for the City of Charleston, and they were abandoning this section of Shephard Street. The City was picking-up another piece of real estate just beyond it. Councilmember Lewis asked what the other piece of real estate was. Mayor Tecklenburg said it was half of the DOT property, between I-26 and Shephard Street. Councilmember Lewis said he was very familiar with the property.

On a motion of Councilmember Gregorie, seconded by Councilmember Mitchell, the Committee on Ways and Means voted to adopt the Committee on Real Estate Report.

The vote was not unanimous. Councilmember Lewis voted nay on Items 'c' and 'd' of the report.

The Committee on Ways and Means recommended giving first reading to the following bills:

An ordinance to provide for the annexation of property known as properties on Maybank Highway and Zelasko Drive (20.858 acre) (TMS# 313-00-00-071; and 313-00-00-072, 073, 231, 252, 332), Johns Island, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 5. The property is owned by estate of Thomas S. Morris.

An ordinance to provide for the annexation of property known as 3037 Maybank Highway (5.578 acre) (TMS# 313-00-00-075), Johns Island, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 5. The property is owned by Julian & Constance Kornahrens.

An ordinance to provide for the annexation of property known as a portion of 2115 River Road (6.13 acre) (a portion of TMS# 345-00-00-067), Johns Island, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 5. The property is owned by Susan P. Polk & Laurie Edward Polk.

An ordinance to provide for the annexation of property known as Bees Ferry Road and Hughes Road (12.439 acre) (TMS# 287-00-00-054; and 287-00-00-347), West Ashley, Charleston County, to the City of Charleston, shown within the area annexed upon a map attached hereto and make it part of District 5. The property is owned by heirs of Phillis Washington.

An ordinance authorizing the Mayor to execute on behalf of the City the necessary documents to effectuate the land transfers contemplated by the Fourth Amendment to the Daniel Island Development Agreement, to include but not be limited to: a trail easement to Daniel Island Town Association, Inc.; a deed to Daniel Island Town Association, Inc. pertaining to City owned property bearing TMS No. 275-00-00-148 (Lot 1, Parcel R, Block O), along with an assignment of U.S. Army Corps of Engineers permit no. 2000-IP-319; a deed to Daniel Island Town Association, Inc. pertaining to property to be received by the City that will comprise a waterfront park; and a ground lease to Daniel Island Town Association, Inc. pertaining to City owned property comprised of 32.340 acres (Parcel AA, Phase 5) and 19.812 acres (Parcel AA, Phase 2) and a mortgage satisfaction.

There being no further business presented, the Committee on Ways and Means adjourned at 4:50 p.m.

Jennifer Cook
Assistant Clerk of Council